

**SB 71, 75, 225 Maryland Transportation Authority,  
Project Financing Policy- Bonding Authority,  
Transportation Infrastructure Financing Policy - Limitations on  
GARVEE Bonds,  
Revenue Bond Restrictions**

Good afternoon Chairman Currie, Vice Chairman Hogan, and members of the Committee.

I am Montgomery County Councilmember Nancy Floreen, Chair of the Montgomery County Council's Transportation and Environment Committee. I appreciate this opportunity to address you.

In November 2003, I testified before the Maryland State Transportation Task Force, otherwise known as the Hellmann Commission, in support of finding additional resources to fund the state's mounting list of critical transportation needs. Well, I'm back. Our list of needs has grown statewide, and the \$315 million in Transportation Trust Fund dollars, not to mention the \$223 million in Highway User fees borrowed in 2003 to fund other functions of state government still have not been replenished. While the Trust Fund is expected to be repaid over time, to our knowledge there is no plan whatsoever to repay the Highway User funds.

As a result, I continue to urge you, collectively, to find as many resources as you can to support the state's common transportation needs, including the ICC. You must be creative and as far-thinking as possible, using all the funding tools at your disposal.

The Montgomery County Council has already voted to support construction of the ICC. Our region expects a 34% increase in population and a 46% increase in jobs. As a result, Montgomery and Prince George's County residents could see a 50% increase in traffic on local roads if we do not get going on the ICC now. And drivers from all neighboring jurisdictions will continue to endure delays as they try to traverse our two counties until the ICC is completed.

Local and regional businesses throughout the region are stymied. Their costs of doing business are increasing, especially personnel costs associated with delay and the difficulty in moving goods.

The resulting driver frustration from this congestion is increasing our accident rates, pedestrian safety is severely compromised, and local streets and neighborhoods are bearing the brunt of regional traffic.

Without a growing base of infrastructure, we can't address our ever-increasing mobility needs.

In our view, the ICC will become a critical regional transportation corridor offering major benefits to the 42% of non-county residents who commute to jobs within the county and the almost 40 % of county residents who commute to jobs outside. Our transportation staff tells us that it is the single most effective tool to improve regional mobility.

As someone who has watched the progress, the two steps back, and now, finally, the forward momentum of the ICC project, I am excited that we have left the point of "if" and are working on the "when and how" of this essential road.

Proposals to increase GARVEE Bond limits and remove Maryland Transportation Authority Bond restrictions are before you. I want to stress that the Montgomery County Council has taken NO position on the best way to fund the ICC. I appeal to you to do whatever you think is necessary, but give yourself the needed flexibility to put together the best, most cost-effective funding package. Do whatever you have to do to enable us to go to the groundbreaking before 2007 arrives.

While the price to build the ICC is indeed great, the costs of not building it are greater. Your leadership on this issue requires true forward thinking that recognizes the need for maximum creativity and flexibility to get our region where it needs to go.

Your Spending Affordability Committee recommended two months ago that you explore all options available to determine which combination of options was the most prudent and economical financing of the ICC. In response, the Department of Legislative Services Overview of the Department of Transportation Budget issued last week states that the agency's plan for financing the ICC is viable (page 32). I urge you to give this considerable weight.

The provision of transportation infrastructure is one of government's most fundamental responsibilities. Pragmatic and creative solutions are what this situation requires. Thank you for your leadership in taking on this critical job.